

LEASED AND RENTAL PROPERTY DEPRECIATION CHART
(BEVS - SCREEN 2)

This schedule is to be used from January 1, 2004, through December 31, 2004, (reference ARM 42.21.113).

<u>Year</u>	<u>Original Cost</u>	<u>Original Cost</u>	<u>Original Cost</u>
<u>Acquired</u>	<u>\$0 - 500</u>	<u>\$501 - 1500</u>	<u>\$1501 - 5000</u>
	(BEVS Table 6) Class 8	(BEVS Table 7) Class 8	(BEVS Table 8) Class 8
2003	70%	85%	92%
2002	43%	69%	85%
2001	18%	52%	77%
2000	9%	34%	69%
1999	9%	20%	60%
1998	9%	20%	51%
1997	9%	20%	41%
1996	9%	20%	32%
1995	9%	20%	27%
1994 & older	9%	20%	23%

Original Acquired Cost \$5,001 - \$15,000
(BEVS – TABLE 11)

<u>ACQUIRED</u>	<u>TRENDED</u>
<u>YEAR</u>	<u>% GOOD</u>
2004	80%
2003	65%
2002	58%
2001	53%
2000	48%
1999	44%
1998	41%
1997	39%
1996	36%
1995	33%
1994	34%
1993	31%
1992	29%
1991	27%
1990	28%
1989	26%
1988	27%
1987	24%
1986	22%
1985 & older	20%

Rental Video Tapes
(BEVS – TABLE 9)

<u>ACQUIRED</u>	<u>TRENDED</u>
<u>YEAR</u>	<u>%GOOD</u>
2003	25%
2002	15%
2001 & older	10%

LEASE AND RENTAL PROPERTY INSTRUCTIONS

The depreciation percentage to be used is determined by the year the equipment was acquired.

1. Equipment leased or rented that meets all of the following criteria to qualify as class six property **is exempt**:
 - (a) the acquired cost of the personal property is less than \$15,000;
 - (b) the personal property is owned by a business whose primary business income is from rental or lease of personal property to individuals wherein no one customer of the business accounts for more than 10% of the total rentals or leases during a calendar year; and
 - (c) the lease of the personal property is generally on an hourly, daily, or weekly basis.
2. Lease or rental equipment that is leased or rented on an hourly, daily or weekly basis, but does not meet **all** of the above criteria should be valued using the lease & rental depreciation tables. However, this property is assessed and taxed in class 8.
3. Lease and rental equipment that does not meet **any** of the qualifications, should be valued and assessed as other like equipment.
4. When a special mobile permit (SM plate), as defined in 61-1-104, MCA is purchased for lease and rental equipment, this equipment will be classified and valued the same as other SM equipment in Class 8.

Goods held for lease or rent should **not** be considered business inventory.

Example: If the item cost \$750 and was acquired in 1976, the present market value would be $\$750 \times 20\% = \150 , market value. If the item was acquired in 1983 for \$125 the market value would be $\$125 \times 9\% = \11 , market value.

$\$750 \times 20\% = \150 market value

$\$125 \times 8\% = \underline{11}$ market value

$\$161 \times 3\% = \5 taxable value